

KakaakoConnection

Vol. 18, No. 2 August 1996

A Publication of the
HAWAII COMMUNITY
DEVELOPMENT AUTHORITY



CHANGES TO INDUSTRIAL REQUIREMENT PROPOSED

*Authority Responds to
Problems/Issues
Faced by HCDA and
Developments in Kakaako*

The conversion of the industrial use requirement to an incentive-based system is currently being considered by the Hawaii Community Development Authority (HCDA). Proposed amendments to the Kakaako Community Development District Rules' industrial requirements have been sent to the Governor for review and approval to conduct a

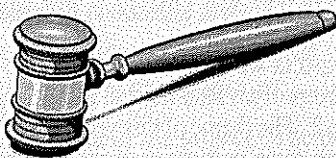
public hearing. This hearing is tentatively scheduled for October 9.

The proposed amendments are designed to deal with problems and issues that the HCDA and developments in Kakaako have faced over the years. Under the current HCDA rules, new projects in Kakaako must include 0.3 FAR (Floor Area

Ratio) of industrial space. The proposed industrial requirement amendments are a result of analyses conducted by the HCDA and comments received from the public. At an April 1996 public informational meeting, the testimony consistently suggested a revamping of the present industrial requirement. There

Continued on Page 4

HAWAII COMMUNITY DEVELOPMENT AUTHORITY Regular Meeting & Public Hearing August 8, 1996 2:00 p.m. 677 Ala Moana Blvd. Suite 1000 Conference Room



Public Hearing Item:

- o Request for Variances Related to the Kakaako Theaters

Action Items:

- o Approval of Variances Related to the Kakaako Theaters
- o Approval to Transfer Revolving Funds to the Department of Land and Natural Resources for Water Source Supply
- o Approval to Reconvey "Additional Fee Land" at Heeiea to Bishop Estate

HAWAII COMMUNITY DEVELOPMENT AUTHORITY Special Meeting & Public Hearing August 21, 1996 2:00 p.m. 677 Ala Moana Blvd. Suite 1000 Conference Room

Public Hearing Item:

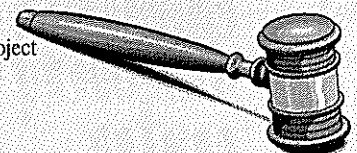
- o Request for Modifications Related to POSEC Hawaii, Inc.'s Emerald Tower Project

Action Items:

- o Approval of Modifications Related to POSEC Hawaii, Inc.'s Emerald Tower Project
- o Approval of Sublease in Produce Center
- o Approval of Lease Extensions to Honolulu Ford and Y. Hata

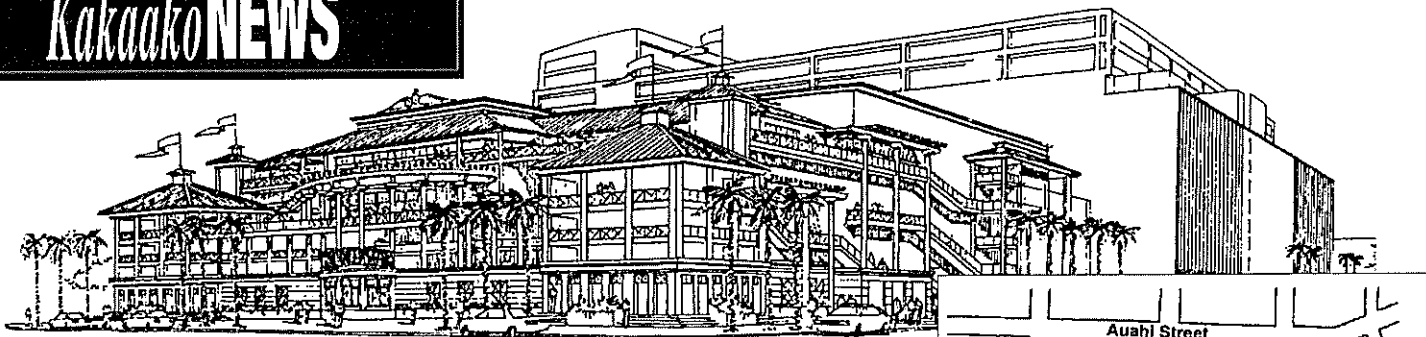
Information Item:

- o Recommendations Regarding Amendments to Public Facilities and Open Space Requirements for Developments in Kakaako



Note: Agenda items are tentatively set at the time of newsletter printing. Call the HCDA office for more information.

Kakaako NEWS



26-THEATER MOVIE COMPLEX PROPOSED FOR DEVELOPMENT IN KAKAAKO

Public Hearing Scheduled for August 8

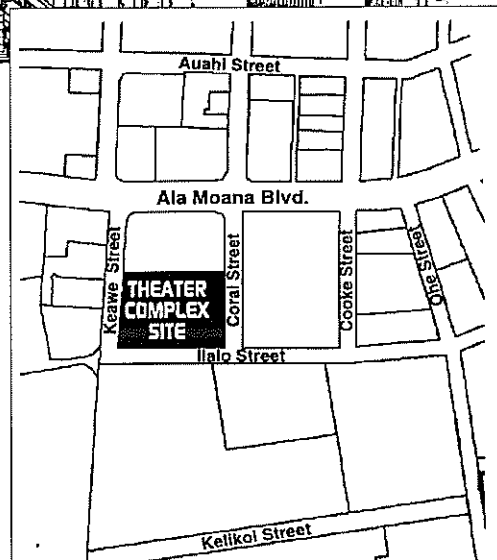
A proposal for a 26-theater movie complex in Kakaako will be the subject of a public hearing to be held by the Hawaii Community Development Authority (HCDA) on August 8. The hearing will start at 2:15 p.m. in the HCDA Conference Room 1000 at 677 Ala Moana Boulevard.

The Kakaako Theaters complex, proposed for development by Richard Gushman for Consolidated Amusement Co. Ltd., would be constructed on a two-acre site bounded by Coral, Ilalo and Keawe Streets in Kakaako. A GTE Hawaiian Telephone facility currently occupies the site which is adjacent to the Bank of America Ala Moana Building. As proposed, the multi-level theater development will be the largest movie theater complex in the State. It will include 26 movie auditoriums with a total of 4,420 seats, two restaurants, and 449 parking spaces. The theater complex was designed with three levels of parking at the base of the structure and two levels of movie auditoriums with 25 feet of floor-to-ceiling space per level. The project proposes to utilize approximately

450 off-site parking spaces on the adjacent Bank of America property.

The developer is requesting several variances from the Kakaako Community Development District Rules to develop the complex. If granted, the variances would allow the structure to exceed the 45 foot height limit and the building to encroach into the view corridors along Coral and Keawe Streets. Another variance is requested to allow certain areas with obstructions overhead to qualify as open space.

Information on the proposed theater project is available for inspection at the HCDA office or can be mailed at no cost to any interested person. Those wishing to submit written comments or testimony on the project should do so at the HCDA office on or before August 8.



*a fun run for the
children's
discovery
center*



The energetic leg work of youngsters was put to the test during the Children's Discovery Center's Keiki Fun Run held in the Kakaako Waterfront Park on Sunday, June 2. The theme of this year's Fun Run was "Helping Hands". Through their participation in this year's event, the children had the opportunity to directly support the Center's

efforts to build the new Discovery Center through pledges they collected from their sponsors. All proceeds from the Run will go directly into building the new Center at the former Kewalo Incinerator site adjacent to the Kakaako Waterfront Park, according to Loretta Yajima, President and CEO of the Children's Discovery Center. A ground breaking ceremony for the Center is scheduled for August 14, 1996 at the project site.

POSEC'S EMERALD TOWER MIXED-USE DEVELOPMENT PROPOSED

*Public Hearing
to be Held
on August 21*

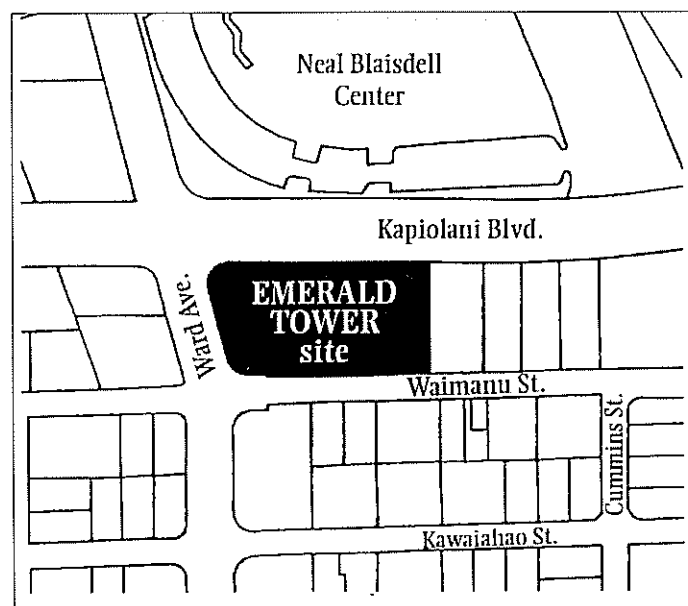


KakaakoNEWS

Emerald Tower, a residential, commercial and industrial complex, has been proposed for development at the Diamond Head makai corner of Kapiolani Boulevard and Ward Avenue in Kakaako. POSEC Hawaii, Inc., the project's developer, has requested modifications to the Kakaako Community Development District Rules pertaining to podium height and front yard requirements. A public hearing on the Emerald Tower modification request will be held on August 21, 2:15 p.m., in the HCDA Conference Room 1000, at 677 Ala Moana Boulevard.

As proposed, Emerald Tower will be a 30-story development incorporating 178 residential units, 11,392 square feet of commercial space, and a 17,868 square foot industrial component. Residential units are planned for the "mid-market" group and they would be located within the tower structure of the project. The developer is proposing to meet the HCDA's reserved housing requirement by providing a reserved housing in-lieu fee.

Emerald Tower's podium structure would include commercial, lobby and service space on the ground floor and industrial use on the second floor. Two-hundred and seventy-five parking stalls would be provided in the basement and on the top three levels. The top deck of the podium structure would be reserved for recreation and open space. POSEC, Hawaii, Inc. is proposing modifications of the Kakaako Rules to exceed the 45-foot height level and to encroach into the required yard on Waimanu Street.



Information on the Emerald Tower project is available for inspection at the HCDA office or can be mailed at no cost to any interested person. Those wishing to submit written comments or testimony on the project should do so at the HCDA office on or before August 21. Anyone wishing to present oral testimony at the public hearing should sign up at the time of the hearing. All speakers are requested to submit twenty (20) copies of their statement.

RelocationSpace

As a service to Kakaako businesses, following are listings of available commercial/industrial spaces in Kakaako and where to call for more information. Information for possible inclusion in this column is welcome. Call Irene Iha at 587-2870 or write to the HCDA office by the 10th of each month.

KAKAAKO

- o 1) 660 Ala Moana Bldg, 4,500 sf 2nd flr ofc, 935 sf & 4,137 sf ret/whse; 2) 680 Ala Moana Bldg, 468 sf-4,000 sf ofc, \$1.95/sf gross; call Omni Investment 523-1822.
- o 677 Ala Moana Blvd (former Gold Bond Bldg), approx 159 usf-3,897 usf ofc, \$1.38/usf, est \$0.87/sf oper exp, 3-5 yrs, prkg, call C. Kalani Schrader (S) 541-5117, CB Commercial Real Estate.
- o Auahi Bus Ctr, indus: 2,100 sf @ \$0.95/sf net; ofc: from 118 sf from \$250/mo gross; ret/wholesale: 2,100 sf @ \$1.70/sf nnn; call Omni Investment 523-1822.
- o 716 Cooke & 711 Kawaiahao Sts, 1,747 sf 2nd flr ofc, \$1.00/sf, est \$0.35/sf CAM, term open, call Stephen Keil (B) 541-5110, CB Commercial Real Estate.
- o 670-A Halekauwila St, approx 4,909 sf whse, \$0.65/sf nnn, est \$0.27/sf CAM, 3-5 yrs, call Karen Taniyama (R) 522-5991, Sofos Realty.
- o 863 & 849 Halekauwila St, 2,680 sf grnd flr, 4,800 sf 2nd flr, ofc/ret/whse, \$1.05/sf, est \$0.18/sf CAM, to 6/30/99, call Stephen Keil (B) 541-5110, CB Commercial Real Estate.
- o 438 Kamakee St, 1,385 sf-6,830 sf whse, 854 sf-1,600 sf ofc, call Palama Ventures 847-6696.
- o 711 Kapiolani Blvd, 1,081 sf-5,858 sf ofc, \$2.00-\$2.15/sf, 1-5 yrs, prkg, call Frances Okazaki (B) 541-5111, CB Commercial Real Estate.
- o 725 Kapiolani Blvd, Imperial Plaza, 1,738 sf grnd flr ret, \$2.25/sf, \$0.57/sf CAM + \$0.16/sf RPT, 3-5 yrs, call Sandy Donnot (B) 541-5114, Stephen Keil (B) 541-5110, CB Commercial Real Estate.
- o 770 Kapiolani Blvd, 492 sf-5,000 sf ofc, call Dave Blanchard 592-4818, Waterhouse Properties.
- o 961 Kawaiahao St, 1,000 sf land w/approx 180 sf ofc, area newly paved, call Jan Kim (RA) 949-4111, Bob Tanaka Inc.
- o 1202-B Kona St, 1,500 sf whse, grnd fl: ofc, storage, restroom, 2nd fl: hi-ceiling, 3 prkg, \$0.95/sf + RPT & ins., full elec. supply, was recording studio, call 593-2924.
- o 1212 Kona St, 2,150 sf ret, \$1.85/sf, \$0.27/sf CAM, term open, call Dana Peiterson (S) 541-5189, CB Commercial Real Estate.
- o 629 Pohukaina St, 19,000 sf ofc, demisable, rent nego, \$0.24/sf CAM, assign of sublease to 8/21/09, call Jim Shipman (S) 541-5184, CB Commercial Real Estate.
- o 670 Queen St, 5,000 sf-10,000 sf a/c ofc/whse, 2,044 sf whse, 1,393 sf ofc/ret, call Dave Blanchard 592-4818, Waterhouse Properties.
- o 711 Queen St., approx 6,300 sf whse/shwrm/ofc, \$0.95/sf nnn, \$0.48/sf CAM, call Tom Adams, 524-8222.
- o 826 Queen St, commercial, approx 7,200 sf 2nd flr @ \$0.95/sf, approx 3,400 sf 1st flr @ \$1.10/sf, both—gross + util, 5 yrs, may lease separate, 10 prkg, a/c, bathrooms, avail for sale, call Gerald Morihara (R) 734-1298, Malama Assoc.
- o 839 Queen St, 287 sf 2nd flr ofc @ \$0.50/sf, 190 sf 2nd flr storage @ \$0.20/sf, both—\$0.11/sf CAM, call Jim Shipman (S) 541-5184, CB Commercial Real Estate.
- o 956 Queen St, ret/indus, 1,050 sf ofc, 1,050 sf mezz, 4,550 sf hi-cube whse/mfg, 1,600 sf shed, 800 sf fenced yd/prkg, 2,000+ sf prkg, 110/220 power, call Tim Ching 591-8944.
- o 419 South St, Waterfront Towers Mart, 199 sf-753 sf ofc/shwrm, \$1.90/rsf gross, prkg, call Karen Taniyama (R) 522-5991, Sofos Realty.
- o 736 South St., 756 sf 2nd flr ofc, \$1.20/sf nnn, est \$0.41/sf CAM, 5 yrs or more, prkg, call Brandon Severson (S), Ray Hulick (B) 521-8812, Commercial Real Estate Services.
- o 1001 Waimanu St, approx 2,000 sf 2nd flr ofc, \$0.65/sf nnn, \$0.10/sf CAM, 2-5 yrs, prkg, call John Sternberg (RA) 532-1932, Sofos Realty.
- o 320 Ward Ave, 1,787 sf ofc, \$1.82/sf gross, sublease, call Shan-Ling "Janice" Wu (RA) 536-7881, Vonlee Cham & Assoc.
- o 1) Free standing bldg on 5,000 sf land, 3,000 sf 1st & 2nd flr; 2) 1,182 sf grnd flr, 706 sf 2nd flr; call Lionel Low, CCIM 596-2066.

PROPOSED CHANGES TO INDUSTRIAL REQUIREMENT

Continued from Page 1

was also agreement that many of the industrial uses are often not financially feasible or compatible within major planned developments in Kakaako. Industrial users also voiced the need for an area within the Kakaako District where they can operate efficiently and free of some of the requirements that were conceived for larger scale developments.

To deal with these concerns, the HCDA is proposing to eliminate the system that mandates industrial uses. In its place, an incentive-based system would be implemented that would encourage industrial uses but not require them. To encourage the development of industrial space,

density bonuses of up to 0.3 FAR would be provided for projects that include industrial uses. The relocated commercial option is also proposed to be eliminated since this option has effectively discouraged industrial uses.

The HCDA is continuing to analyze other solutions to deal with issues associated with industrial space. (When these proposed amendments are finalized, another public hearing will be held at a date to be announced.) Proposals under consideration include: exempting industrial uses from the recreational requirement; redefining industrial uses to exclude any quasi-commercial uses that are clearly not accessory in nature; and reducing open space requirements for industrial use projects.

THE KAKAAKO CONNECTION

is a publication produced by the
**HAWAII COMMUNITY
DEVELOPMENT AUTHORITY**

Benjamin J. Cayetano
Governor

Jan N. Sullivan
Chair

Earl Anzai
Sam Callejo
Kazu Hayashida
Michael K. Kawaharada
Lori Ann Lum
Gary Mijo
Brian Minaai
G. A. "Red" Morris
Seiji Naya
Lynne Waters

Jan S. Yokota
Interim Executive Director

This newsletter is printed on recycled paper.



**HAWAII COMMUNITY
DEVELOPMENT AUTHORITY**
677 Ala Moana Blvd., Suite 1001
Honolulu, Hawaii 96813
Telephone: (808) 587-2870
Fax: (808) 599-2613

BULK RATE
U.S. Postage
PAID
Honolulu, Hawaii
Permit No. 1223